

REPAY YOUR FEDERAL STUDENT LOANS

Understanding Your Loans

You may have federal student loans or private student loans.

- Federal student loans: The U.S. Department of Education (ED) funds or insures federal student loans that may be owned by ED, a bank, or a school.
- Private student loans: These loans are nonfederal loans that are made by a bank, credit union, state agency, or school.

If you aren't sure what types of loans you have, you can look up your federal student loan history in the National Student Loan Data System (NSLDS®) at www.NSLDS.ed.gov. You will need your Federal Student Aid PIN to access the system. Keep in mind that private student loans are not included in NSLDS.

This fact sheet applies to the following federal student loans made under the William D. Ford Federal Direct Loan (Direct Loan) Program and the Federal Family Education Loan (FFEL) Program:

- Direct Subsidized Loans
- Direct Unsubsidized Loans
- PLUS loans (made to graduate and professional degree students)
- Subsidized Federal Stafford Loans
- Unsubsidized Federal Stafford Loans

Note: As of July 1, 2010, FFEL Program loans are no longer made; however, you still may have an outstanding FFEL Program loan that was made before this date.

This fact sheet does not include information about your Federal Perkins (Perkins) Loans, PLUS loans made to parents, or consolidation loans. Contact your school, servicer, or lender about repaying these federal student loans.

When must I begin making payments?

In most cases, you must begin making payments six months after you graduate, leave school, or drop below half-time enrollment. Depending on the type of loan you have, the six-month period is called a grace period or a deferment period. Your servicer or lender will provide you with information on when repayment begins. Your loan servicer handles the billing, customer service, and other administrative tasks on your loan.

For most types of loans, interest will accrue (accumulate) while you are in school and during the six-month period. Your servicer may capitalize the interest that accrued during these periods, which means the servicer will add the unpaid interest to your total loan balance. Note: You may request to receive quarterly interest statements from your servicer while you are in school so you know how much interest is accruing on your loans. If you can, make interest-only payments before you are required to begin making payments on your loans to reduce your future debt.

How do I make my payment?

You will make payments to your loan servicer. Each servicer has its own payment process, so check with your servicer if you aren't sure how or when to make a payment. If you don't know the loan servicer for your loan, you can find that information at www.NSLDS.ed.gov.

If you'd like to compare repayment plans online, use our Repayment Estimator at StudentLoans.gov. When you sign in, the Repayment Estimator will use your current loan data to estimate your monthly payments.

How much will I need to pay?

Your servicer will tell you how much to pay. Your payment depends on the type of loan you received, how much money you borrowed, the interest rate on your loan, and the repayment plan you choose.

What can I do if I'm having trouble making my loan payments?

If you can't make your loan payments, contact your loan servicer immediately. Don't ignore bills. You have options. You can:

Change Repayment Plans— You have a choice of several repayment plans. Consider changing to a different repayment plan that better meets your needs. The amount you pay and the length of time you'll have to repay your loans will vary depending on the repayment plan you choose, but note that choosing a repayment plan with a lower monthly payment means that you'll pay more in interest over time. Some of the details on the different repayment plans are provided in the table below.

Request a Deferment or Forbearance—Under certain circumstances, you can receive a deferment or forbearance that allows you to temporarily postpone or reduce your federal student loan payments. Work with your loan servicer to apply for a deferment or forbearance and be sure to keep making payments on your loan until the deferment or forbearance is in place.

Apply for Forgiveness, Cancellation, or Discharge—In certain situations, you can have your federal student loans forgiven, canceled, or discharged, which means you no longer have to repay your loans. Ask your loan servicer if you qualify based on your job (public service), disability, the closure of your school, or other circumstances.

Visit [StudentAid.gov/repay](https://studentaid.gov/repay) to learn more about federal student loan repayment.

REPAYMENT PLAN OPTIONS (The repayment plan options below exclude PLUS loans made to parents and consolidation loans.)

Table 1: Traditional Repayment Plans

	Eligible Borrowers	Eligible Loans	Time to Repay	Monthly Payment Amount
10-Year Standard Repayment Plan	All borrowers	All loans	Up to 10 years	Your payments will be a fixed amount of at least \$50 per month.
Graduated Repayment Plan	All borrowers	All loans	Up to 10 years	Your payments will start out low and increase every two years. Payments must be at least equal to monthly interest due. No single payment will be more than three times greater than any other monthly payment under the 10-year Standard Repayment Plan.
Extended Repayment Plan	<ul style="list-style-type: none">Direct Loan borrowers with more than \$30,000 of Direct Loans to repayFFEL Program borrowers with more than \$30,000 of FFEL Program loans to repay In addition, you must have had no outstanding balance on a Direct Loan or FFEL Program loans as of Oct. 7, 1998, or on the date you obtained a new Direct Loan Program loan or FFEL Program loan after Oct. 7, 1998.	All loans	Up to 25 years	Your payments will be fixed or graduated (increasing every two years) in an amount that ensures that your loan will be paid in full in 25 years.

Table 2: Income-Driven Repayment Plans

	Eligible Borrowers	Eligible Loans	Time to Repay	Monthly Payment Amount*
Income-Based Repayment (IBR) Plan	To be initially eligible, the amount you would need to pay under this plan must be less than what you would pay under the 10-Year Standard Repayment Plan.	All loans	Up to 25 years, with forgiveness of any remaining balance	Your payments will be the lesser of: <ul style="list-style-type: none"> 15% of your discretionary income; or the 10-Year Standard Repayment Plan amount.
Pay As You Earn Repayment Plan	To be initially eligible, the amount you would need to pay under this plan must be less than what you would pay under the 10-Year Standard Repayment Plan. <ul style="list-style-type: none"> You must have had no Direct Loan or FFEL Program loans as of Oct. 1, 2007, or when you obtained a new loan after that date; and You must have received a disbursement of a Direct Loan on or after Oct. 1, 2011. 	All Direct Loans	Up to 20 years, with forgiveness of any remaining balance	Your payments will be the lesser of: <ul style="list-style-type: none"> 10% of your discretionary income; or the 10-Year Standard Repayment Plan amount.
Income-Contingent Repayment (ICR) Plan	All Direct Loan borrowers	All Direct Loans	Up to 25 years, with forgiveness of any remaining balance	Your payments will be the lesser of: <ul style="list-style-type: none"> 20% of your discretionary income; or The amount you would pay on a 12-Year Standard Repayment Plan multiplied by a percentage based on your income.
Income-Sensitive Repayment Plan	All FFEL borrowers	ALL FFEL Program loans	Up to 10 years	<ul style="list-style-type: none"> Your monthly payment is based on your annual income. Your payments change as your income changes.
* Your monthly payment amount is recalculated annually based on your income.				

This information was compiled in the summer of 2013. For updates or additional information on federal student aid, visit StudentAid.gov/repay or call 1-800-4-FED-AID (1-800-433-3243).